GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:254
ANSWERED ON:18.12.2003
AVAILABILITY BASED TARIFF
UMMAREDDY VENKATESWARLU

Will the Minister of POWER be pleased to state:

(a) whether the Central Electricity Regulatory Commission had introducedpower tariff called `Availability Based Tariff` (ABT), in early 2003;

(b) the advantages of the ABT system of tariff fixation;

(c) whether the ABT system had led to grid discipline and stability in frequency;

(d) if so, whether NTPC and other PSU power companies have sought changes in the ABT; and

(e) if so, the reasons for seeking such changes in the recently introduced ABT?

Answer

THE MINISTER OF POWER(SHRI ANANT GANGARAM GEETE)

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. 254 TO BE ANSWERED IN TH LOK SABHA ON 18.12.2003 REGARDING AVAILABILITY BASED TARIFF.

(a) : The Central Electricity Regulatory Commission (CERC) in its orderissued on 4.01.2000, had directed implementation of Availability Based Tariff (ABT) in various Regions.Subsequently, on the petition filed by National Thermal Power Corporation (NTPC) seeking to review the order dated 4.1.2000, the CERC passed orders on 15.12.2000.Based on the order of CERC, ABT hasbeen implemented in all the five regions in phases in years 2002 and 2003.

(b) : ABT promotes economic/efficient operation of power system and aims at grid discipline through commercial signals. The advantages of ABT are as follows:

(i) ABT facilitates merit order despatch.

(ii) The frequency linked Unscheduled Interchange (UI) charges fordeviation from schedule generation/drawal and promotes grid discipline by way of stability in grid frequency.

(iii) It facilitates trading in electricity leading to better utilization of existing capacity.
(c) : Yes, Sir.

(d) & (e) : NTPC and other PSU Power Companies have not sought changes in the basic structure of the ABT scheme.